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ABSTRACT

This Massachusetts Senate committee study examined public endowment fund development at public institutions of higher education in the state in comparison with institutional development at institutions in other states. The study used data from the Massachusetts Attorney General's Division of Public Charities, from colleges and universities, from meetings with institutional development personnel, and from the National Center for Education Statistics and the National Association of College and University Business Officers. Principle findings included the following: (1) compared to other states, Massachusetts has not built successful endowment funds for its public higher educational institutions; (2) the public higher education system in Massachusetts and its alumni are relatively young, and public schools face competition from private schools for contributions and donations; (3) most of Massachusetts' endowment development efforts have come from the institutions themselves, with significant assistance from the state level; (4) the Board of Regents should actively promote fund raising and endowment development; (5) the legislature should clarify the oversight authority of the Board of Regents; and (6) the legislature should provide matching dollars to stimulate fund raising and endowment development. Appendixes contain information on endowment fund balance, full time equivalent students, Massachusetts foundations, and total foundation assets. (JB)

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SENATE . . . . . No. 1820

The Commonwealth of Massachusetts

A REPORT

of the

SENATE COMMITTEE ON

POST AUDIT AND OVERSIGHT

Relative to

ENDOWMENT DEVELOPMENT

IN MASSACHUSETTS

PUBLIC HIGHER EDUCATION

October 1990

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The Commonwealth of Massachusetts

MASSACHUSETTS SENATE

The Honorable William M. Bulger
President of the Senate

A REPORT

of the

SENATE COMMITTEE ON

POST AUDIT AND OVERSIGHT

Sen. Richard A. Kraus, Chairman

Sen. W. Paul White, Vice-Chairman
Sen. Linda J. Melconian
Sen. Paul J. Sheehy
Sen. Thomas C. Norton
Sen. Mary L. Padula

Prepared by the

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October 2, 1990

Edward B. O'Neill
Clerk of the Senate
State House, Room 208
Boston, MA 02133

Dear Mr. O'Neill:

Pursuant to M.G.L. Chapter 3, Section 63 as most recently amended by Chapter 557 of the Acts of 1986, the Senate Committee on Post Audit and Oversight respectfully submits to the full Senate the following report: **Endowment Development in Massachusetts Public Higher Education**.

This report reviews endowment development as part of the fundraising efforts of the Commonwealth's public colleges and universities. It compares Massachusetts' public higher education endowment development with that of other states', and compares endowment development efforts of the various Massachusetts higher educational institutions with each other. The report then makes a series of recommendations to stimulate greater endowment development within these Massachusetts institutions.

Respectfully filed by the Senate Committee on Post Audit and Oversight:

Senator Richard A. Kraus
Chairman

Senator W. Paul White
Vice-Chairman

Senator Linda J. Melconian

Senator Thomas C. Norton

Senator Mary L. Padula

The Commonwealth of Massachusetts

EXECUTIVE SUMMARY

This report by the Senate Committee on Post Audit and Oversight reviews public endowment fund development within the Commonwealth's institutions of higher education. Endowment funds are set aside and invested to provide future benefits to students or a school. This report compares Massachusetts' endowment building efforts to efforts in other states, and compares the endowments of public colleges and universities in Massachusetts with each other. Principal findings of this study are:

Compared to other states, Massachusetts has not built successful endowment funds for its public higher educational institutions.

- In 1986, Massachusetts generated endowment income equal to 0.04 percent of the Commonwealth higher education budget. The national average is 0.8 percent of a state's higher education budget.
- A national survey placed the University of Massachusetts endowment fund 75th out of 76 nationally ranked public institutions.

The higher education system in Massachusetts and its alumni are relatively young, and public schools face intense competition from private schools for contributions and donations.

- Only 25 percent of all Massachusetts colleges and universities are public. Nationally, 45 percent of colleges and universities are public institutions. Massachusetts has the lowest ratio of public to private institutions of higher education in the country.

To date, most of Massachusetts' endowment development efforts have come from the institutions themselves, without significant assistance from the state level.

Some of the 27 public colleges and universities within the Commonwealth are doing better than others in developing endowment funds.

- The University of Massachusetts has an endowment in excess of $20 million
- Roxbury Community College and Greenfield Community College have formal endowment funds which produce income in excess of four percent of their total operating budgets.

- Total endowment monies within the Commonwealth increased by over $12 million from fiscal year 1987 through fiscal year 1989.

The following are recommendations to the Legislature and the Massachusetts Board of Regents of Higher Education to strengthen higher education endowment development:

The Board of Regents should actively promote fundraising and endowment development.

- The Board of Regents should commit their financial resources to ensure that all campuses have computer capacity to carry out fundraising activities.
- The Board of Regents should train administrative personnel to carry out financial development work.
- The Board of Regents should develop a public awareness campaign to create an atmosphere for fundraising and endowment building.
- The Board of Regents should encourage college and university presidents to actively assist and support fundraising development and endowment efforts.
- The Board of Regents should publish annual institution-by-institution information on fundraising and endowment building efforts to stimulate positive competition and to build awareness of the importance of such efforts.

The Legislature should clarify the oversight authority of the Board of Regents over private nonprofit fundraising by public colleges and universities.

- The Board of Regents should certify that each "support foundation" has been incorporated for the benefit of each college and university.
- Higher education affiliated private nonprofit fundraising entities should carry out an annual audit performed by independent auditors. A report on this audit should be made available to the Board of Regents and the State Auditor.
- The Board of Regents and the State Auditor should be able to request additional information that does not infringe on the privacy rights of the donors.
- The Board of Directors of each affiliated foundation should include representation from the higher education institution it supports.

The Legislature should provide matching dollars to stimulate fundraising and endowment development. Specifically the program should:

- Encourage donations from alumni groups, corporate sponsors and others;
- Attract new donors to the public higher education system;
- Create an endowment base that will provide for long-term funding of academic support.

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INTRODUCTION

Alumni giving and endowment development have an important role in higher education. As tuition dollars and revenue sources tighten, and as the costs of providing higher education grow, public and private colleges and universities are using endowment development as an additional source of funding.

This report by the Senate Committee on Post Audit and Oversight examines the growing need for endowment funds in Massachusetts public higher education, reviews the current level of public endowment fund development within the Commonwealth, compares Massachusetts' funds to similar states' funds, discusses governmental endowment support, and makes recommendations to encourage greater endowment development.

The Committee based its assessment on data compiled from the records of the Massachusetts Attorney General's Division of Public Charities, from information received from colleges and universities (both in-state and out-of-state), from meetings with institution development personnel, and from information from the National Center for Education Statistics and the National Association of College and University Business Officers.

The inter-state results were compiled using National Center for Education Statistics data for California, Connecticut, Indiana, Maryland, Michigan, New York, Ohio and Wisconsin. The comparison states were chosen for the study because, like Massachusetts, their higher educational systems have university, state college and community college components.

The 1987 general expenditure and state appropriation figures for Massachusetts are from the Massachusetts State Auditor's report on higher education trust funds (No. 88-50019). At the suggestion of the Massachusetts Board of Regents of Higher Education, we decreased the expenditure amount listed in the report by one percent for two-year schools and five percent for four-year schools.[1] The Board of Regents Provided the 1989 general expenditure and state appropriation figures.

Public higher education fundraising usually includes annual campaign drives (which raise money for an institution's current use), *and* endowment development (which build resources for the future).

[1] This adjustment protected against "double-listing" certain scholarship monies.

Although we recognize the importance of both of these fundraising components, this report focuses on endowment development rather than on the annual development efforts. Unlike annual fundraising which can fluctuate with economic conditions and alumni sentiment, endowment dollars can offer a long-term steady source of revenue for institutions of higher education. Therefore, we believe that endowment development is an important component within public higher education fundraising.

Use of Endowment Funds

In general, endowment funds in public higher education are monies that have been set aside and invested to help build support for a particular program or to provide future benefits to students or a school. Endowment building should be part of an institution's long-term planning. The endowment fund "principal" remains intact, and any benefits provided by the fund are paid from a portion of the interest earned by the fund.

There are numerous potential uses for endowment fund income in public institutions.

Of the public colleges and universities in Massachusetts that have endowment funds in place, each uses its endowment income to provide student scholarships. Some schools report using endowment income to pay for visiting speakers. Cape Cod Community College has committed an endowment fund to its nursing program.[2]

Endowment funds do not necessarily save the state money. Instead, they allow an institution to expand the scope of state higher education. The endowment fund income at Bridgewater State College, for example, provides scholarship monies to fifty students who would not be able to attend the school if that scholarship aid were not available.

Private institutions typically have had a long history of developing and using endowments. Because private schools largely depend on tuition money and fees to support the costs of providing education, they have historically looked to endowment income as an important funding vehicle. In fact, endowment income represents 7.5 percent of total private college and university operating expenses.[3]

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[2] From responses to Senate Post Audit and Oversight Bureau questionnaires sent out to each campus.

[3] National Center for Education Statistics, *State Higher Education Profiles. 1988 Edition*, published by US Department of Education, Office of Educational Research and Improvement, page 23.

Public colleges and universities, on the other hand, meet the cost of operations with government appropriations, as well as tuition and fees. Public money, however, does not fully fund state higher education. The National Center for Education Statistics *State Higher Education Profiles, 1988 Edition* states that Massachusetts higher educational institutions receive less than 65 percent of their total operating budgets from state revenues.[4] The remaining 35 percent typically comes from tuition, fees, federal grants and fund-raising efforts.

As public dollars for higher education dwindle, public institutions are examining alternative sources of revenue. One of these sources of revenue is endowment fund Income. Currently, public institutions as a whole receive less than one percent of their total operating budget from endowment income.[5] It is not unusual, however, for a public school to have a large endowment. In fact, a listing by institution of the top fifty endowment funds in the country contains eight public universities that have endowment funds ranging in value from $227 million (the University of Minnesota) to $2.7 billion (the University of Texas system).[6]

PART I: MEASURING MASSACHUSETTS ENDOWMENT FUNDS

There are twenty-seven public colleges and universities within the Commonwealth of Massachusetts. Of these schools, fourteen reported having formal endowment funds as of June, 1989.[7] For our analysis, we compared Massachusetts' public endowment funds on an inter-state basis to see how the Commonwealth ranks in terms of endowment development among other states, and on an intra-state basis to see how the various institutions in Massachusetts compare with each other.[8] The intra-state comparison, in particular, charts the

[4] National Center for Educational Statistics, *State Higher Education Profiles, 1988 Edition*, pages 253-258.

[5] National Center for Education Statistics, *State Higher Education Profiles, 1988 Edition*, pages 21-26.

[6] *1988 NACUBO Endowment Study*, prepared by Cambridge Associates, Inc. page 24.

[7] See Appendix A: "Endowment Fund Balance". The three campuses of the University of Massachusetts system are listed under "U. of MA." All three campuses, however, conduct their own fundraising and have separate development offices.

[8] For the purposes of this study, we define endowment funds as 1) foundation monies designated as "endowment funds" on line 69, page 4 of IRS form 990, and 2) endowment monies so designated by college or university trustees. A listing of each college and university's endowment fund balance appears in Appendix A, "Endowment Fund Balance."

state's activity as a whole and identifies which schools have been actively developing successful endowment funds.

These data can be used, not only as a basis for future research, but also to assist in the development of direct assistance for public sector endowment building, where it is appropriate.

Massachusetts higher education endowment funds, like funds generated through annual fundraising, are held either by the college or university itself or by a nonprofit affiliated private foundation. All but one of the 27 higher educational institutions have established affiliated private nonprofit foundations. These foundations are used both in annual fundraising and in endowment fundraising.

This study examines the endowment funds of Massachusetts public colleges and universities, including endowment funds held by a college or university and by their affiliated private foundation. The endowment fund balances that appear in Appendix A are, therefore, totals of endowment monies held by a college or university and their affiliated foundations. The respective college or university affiliated private nonprofit foundation assets, including real estate, investment holdings, endowment dollars and other financial resources, appear in Appendix D.

INTER-STATE COMPARISON MEASURES

We found that Massachusetts public colleges and universities generate far less endowment income than their national counterparts, falling 96 percent below the national average in terms of endowment income per full-time enrolled (FTE) student and 95 percent below the national average in terms of endowment income as a percentage of the state's overall higher education budget (see Table 1).

To measure the "standing" of Massachusetts' endowment funds relative to other states, we compared Massachusetts endowment income (the interest generated from public higher education endowment funds) to endowment income in eight other states with similar public higher education structures. Endowment income is a standard measure of endowment funds. It measures 1) how much money a fund holds, and 2) how much money is generated for student and program support.

It is difficult to obtain reliable data for inter-state comparisons of public endowments. Most public institutions have created separately

TABLE I

ENDOWMENT INCOME
Inter-State Comparison
Fiscal Year 1986

State	Budget Percent	Per Student
OH	1.0	$ 78.22
MI	0.8	$ 63.51
CA	0.7	$ 57.86
IN	0.4	$ 34.13
WI	0.4	$ 31.99
NY	0.3	$ 24.58
CT	0.1	$ 10.24
MD	0.1	$ 8.22
MA	0.04	$ 2.53
U.S. Avg.	0.8	$ 63.60

Sources: National Center for Education Statistics; Massachusetts Division of Public Charities, Office of the Attorney General; Massachusetts public colleges and universities and their respective foundations.

incorporated private foundations which act as repositories for their endowment monies. While the financial information pertaining to these organizations is, technically, public information, there is no national clearinghouse that has gathered all of the relevant data.

We used National Center for Education Statistics data to document endowment income for the comparison states 1) as a percentage of operating budget, and 2) per full-time equivalent (FTE) student. These measures were used to minimize differences in operating budgets and in student enrollment. The limitations of the data mean that the most recent nationwide endowment data compiled in the 1988 profile by the National Center for Education Statistics are for fiscal year 1986 (see Table I).

The National Center for Education Statistics (NCES) 1988 study did not list Massachusetts as receiving any money from endowment income. They were unable to tell us whether the Commonwealth

actually reported receiving no endowment income to NCES or whether Massachusetts information had not been recorded.[9]

In order to enter Massachusetts into the inter-state comparison it was necessary to "recreate" Massachusetts endowment income for fiscal year 1986. The earliest baseline information available from the Division of Public Charities of the Massachusetts Attorney General was for fiscal year 1987. We compiled endowment fund balances for each campus' foundation, trust fund(s) and general accounts for fiscal years 1987, 1988 and 1989. We then calculated the three-year growth trend for the funds, extrapolated that growth trend back to fiscal year 1986, and assumed five percent income on the ending fiscal year 1986 balance (see Table 1).

Endowment Income As A Percentage of Total Budget

Measuring endowment income as a percentage of a state's higher education operating budget controls for differences in the size of the various higher education system budgets. This comparison measures the extent that a state utilizes endowment income as a revenue source.

As Table 1 indicates, in fiscal year 1986 the national average of endowment income as a percentage of a state's public higher education operating budget was 0.8 percent. We estimate that Massachusetts' endowment income in fiscal year 1986 was 0.04 percent of the overall higher education budget, fully 95 percent below the national average. Although most of the comparison states fell below the national average, all generated substantially more endowment income than the Commonwealth.

Endowment Income Per Full-Time Equivalent Student

Table 1 also compares the amount of endowment income generated per full-time equivalent student. This measure creates a per capita performance ranking of endowment funds, and accounts for differences in state school population sizes.

The national average of endowment income earned per student was $63.60. We estimate that Massachusetts public colleges and universities earned $2.53 in endowment income per student in fiscal year 1986, 96 percent below the national average. The Massachusetts figure takes into account the fact that some schools generated in excess

[9] Telephone interview on July 24, 1990 with representative of the Post-secondary Education Statistics Division of the National Center for Education Statistics.

of $15 per student, while other schools generated no endowment income at all.

The "Endowment Gap"

The inter-state comparisons show that Massachusetts public colleges and universities have compiled endowment funds far below those of comparable states. Conversations with development personnel, both in-state and out-of-state, partially attribute the endowment gap to "culture." Fundraising has never played a large role in Massachusetts public colleges and universities. (This is partly due to the pool of public higher education alumni, which is relatively small and young.)

The gap is also attributable to the fact that public sector development work has only recently become an established part of Massachusetts public higher education. Development officers are just now implementing policies that have been common practice in the private sector for years (see Part 2). These policies have, in fact, led to recent gains. Massachusetts public college and university endowment holdings have grown from $14.4 million in fiscal year 1987 to over $26 million in fiscal year 1989 (see Appendix A).

The large public endowment funds in other states may also have to do with the ratio of public to private institutions in those states. In Texas, 62 percent of their colleges and universities are public schools. In Massachusetts, however, public colleges and universities comprise only 23 percent of higher education, the lowest ratio of public to private institutions in the country. (Nationally, 44 percent of the colleges and universities are public.)[10] Massachusetts public schools, therefore, face greater competition from the private sector in terms of attracting in-state fundraising dollars than do their counterparts across the country.

INTRA-STATE COMPARISON MEASURES

We used a slightly different measure for the intra-state comparison from that used in the inter-state comparison. The few *inter*-state endowment studies that are available use endowment income or endowment market value as the comparative measures. This infor-

[10] *The Book of the States 1988-89*, Volume 27, The Council of State Governments, Lexington, KY, page 348. Data for fiscal year 1988.

mation, however, is unavailable on the state level. We therefore compared endowment fund *balances* for the institutions. This measure combines the endowment monies in college and university general funds, trust funds and independent associations (such as college or university foundations).

From these figures we generated two intra-state measures: endowment monies as a percentage of each school's overall budget and endowment monies per each full time equivalent (FTE) student. In order to reduce differences among the three types of Massachusetts institutions, we separately examined the state universities, the state four-year colleges, and the state two-year colleges.

Universities

The state universities have the largest public endowment funds within the Commonwealth. Our study showed that the state universities hold 92 percent of the public endowment monies within the Commonwealth.[1]

The three state public universities, the University of Massachusetts (which combines all three campuses), the University of Lowell and the Southeastern Massachusetts University have endowment funds of $21 million, $1.3 million and $2.3 million respectively (see Table 2).

All three universities showed relative success in endowment building during the period we examined. From fiscal year 1987 through fiscal year 1989, the University of Lowell increased its endowment by 29 percent, Southeastern Massachusetts University increased its endowment by 49 percent, and the University of Massachusetts system increased its endowment by 100 percent (see Appendix A). This success is in part based upon the fact that the universities have the largest pool of alumni, the largest support network, and the greatest available financial resources.

The University of Massachusetts endowment holds over 79 percent of the total public endowment monies within the Commonwealth; the University of Lowell and Southeastern Massachusetts University combined hold 14 percent of the Massachusetts public endowment monies.

The University of Massachusetts endowment is invested through the private University of Massachusetts Foundation, but 65 percent

[1] Due to rounding, university, state college and community college percentages do not add up to 100.

Table 2

ENDOWMENT FUND VALUE
State Universities
Fiscal Year 1989

Institution	Endowment Value	Budget Percent	Per Student
Southeastern Massachusetts	$ 2,335,846	4.24	$ 418.39
University of Massachusetts (3 campuses)	$ 20,956,296	2.89	$ 665.45
University of Lowell	$ 1,297,043	2.38	$ 137.69

Sources: Massachusetts Division of Public Charities, Office of the Attorney General; Massachusetts public colleges and universities and their respective foundations.

of this endowment is in college-controlled funds. The University of Lowell splits its endowment between college-managed funds and funds managed by private foundations (organizations which have been incorporated on behalf of the university). The Southeastern Massachusetts University endowment is predominantly held by a foundation.

Massachusetts state university endowment development is put into perspective when it is compared to universities in other states. The largest public university in Wisconsin, the University of Wisconsin/ Madison, lists an endowment fund of $203 million. The three largest public universities in Michigan — Wayne State University, Michigan State University, and the University of Michigan at Ann Arbor — list endowment funds of $34 million, $51 million and $419 million respectively.[12]

[12] Wisconsin information (fiscal year 1989) provided by Financial Administration office of University of Wisconsin/ Madison; Michigan information (fiscal year 1989) from Michigan State Department of Education.

In 1989 the National Association of College and University Business Officers released a report entitled *1988 Endowment Study* in which they detailed the endowment market value of certain public and private higher education institutions. On a list of "endowment per full-time equivalent student" (for fiscal year 1988), the University of Massachusetts ranked 75th out of 76 public schools.[13]

Four-Year Colleges

Our analysis of the nine four-year state colleges shows that five have established endowment funds (see Table 3). Bridgewater State College and Westfield State College keep their endowment monies largely in private foundations while North Adams State College and Framingham State College keep their endowments in college-

TABLE 3

ENDOWMENT FUND VALUE
Four-Year (State) Colleges
Fiscal Year 1989

Institution	Endowment Value	Budget Percent	Per Student
Westfield	$ 269,091	1.07	$ 92.44
Bridgewater	$ 118,101	0.36	$ 23.28
Framingham	$ 45,505	0.18	$ 14.48
North Adams	$ 17,834	0.10	$ 8.24
Fitchburg *	--	--	--
Maritime	0	0	0
Mass. Art	0	0	0
Salem **	0	0	0
Worcester	0	0	0

* $1.4 million fund. See footnote 14.

** Only foundation endowment reported, college-managed funds unreported.

Sources: Massachusetts Division of Public Charities, Office of the Attorney General; Massachusetts public colleges and universities and their respective foundations.

[13] *1988 NACUBO Endowment Study*, pages 32-33.

managed funds (see Appendix A). The directors of the Fitchburg State College Foundation have reportedly voted to treat the entire assets ($1.4 million) of the Fitchburg State College Foundation as an endowment fund.[14]

The four-year colleges hold 1.7 percent of the Commonwealth's total public endowment monies. The Bridgewater State College endowment grew dramatically (from $5,600 to over $100,000) between fiscal year 1987 to fiscal year 1989. We found that the other four-year colleges experienced modest endowment fund growth during the same period: the Westfield State College endowment increased by 21 percent; the North Adams State College endowment increased by seven percent; the Framingham State College endowment remained constant (see Appendix A).

The four-year colleges have successfully accumulated fundraising *assets* (see Appendix D). The colleges hold fourteen percent of the (total state-wide) foundation assets, which indicate a commitment to annual fundraising rather than endowment development.

Two-Year Colleges

We found that only six of the fifteen two-year (community) colleges within the Commonwealth have established endowment funds (see Table 4). These endowments, which range in value from $10,000 to $580,000, are largely held by private foundations. The community college endowment funds make up five percent of the total Massachusetts public endowment monies.

The Roxbury Community College endowment ranks high in the per full-time equivalent student comparison. This number is high, however, in part due to the low enrollment at the college (see Appendix B). As of fiscal year 1989 Roxbury Community College listed the second lowest level of full-time equivalent students of any school in Massachusetts public higher education.

The comparison using endowment as a percentage of the school's overall budget showed Roxbury Community College and Greenfield Community College having almost identical endowments. The Roxbury Community College endowment equalled 4.47 percent of its operating budget while the Greenfield Community College endowment equalled 4.40 percent of its budget.

[14]The Fitchburg State College Foundation does not list endowment funds on line 69 of IRS form 990. Therefore, this study, seeking a comparative unit of measure, does not include the Fitchburg State College endowment monies in the intra-state measure. See also footnote 8.

TABLE 4

ENDOWMENT FUND VALUE
Two-Year (Community) Colleges
Fiscal Year 1989

Institution	Endowment Value	Budget Percent	Per Student
Roxbury	$ 584,701	4.47	$ 629.39
Greenfield	$ 398,958	4.40	$ 328.90
Quinsigamond	$ 163,650	1.16	$ 90.82
Cape Cod	$ 141,327	1.28	$ 86.44
Bristol	$ 10,880	0.08	$ 4.84
North Essex	$ 10,533	0.05	$ 3.64
Berkshire	0	0	0
Bunker Hill	0	0	0
Mass. Bay	0	0	0
Massasoit	0	0	0
Middlesex	0	0	0
Mount Wachusett	0	0	0
North Shore	0	0	0
Holyoke	DNR	DNR	DNR
Springfield	DNR	DNR	DNR

DNR = did not report

Sources: Massachusetts Division of Public Charities, Office of the Attorney General; Massachusetts public colleges and universities and their respective foundations.

We found substantial increases in the value of endowment funds held by two-year schools from fiscal years 1987 through 1989: Roxbury Community College increased its fund(s) by 84 percent ($268,000); Cape Cod Community College increased its fund(s) by 59 percent ($52,000); and Greenfield Community College increased its fund(s) by 29 percent ($89,000). Northern Essex Community College began fiscal year 1987 without any endowment monies; by fiscal year 1989 they had an endowment structure in place (see Appendix A).

PART 2: PUBLIC SECTOR DEVELOPMENT ACTIVITIES

An article in *Amherst*, the alumni quarterly of Amherst College, stated that "public higher education has never had a constituency" in Massachusetts.[15] As a consequence, higher education has been treated as "just another line item" in the budget. A strong endowment program could have softened the impact of the budget crisis on public higher education.

Between fiscal year 1987 and fiscal year 1989 funding for higher education decreased by nine percent.[16] According to the Director of Development for the University of Lowell, further cuts in the higher education budget may place academic program accreditation at great risk. Whereas private schools are more likely to be financially protected with endowment funds (like Amherst College which has a $266 million endowment) "state schools are subject to the ebbs and flows of short-term passions" that affect state budgetary decisions.[17]

In speaking with development personnel throughout the state we found that most public school fundraising activities within the Commonwealth are aimed at garnering funds for immediate use. Unlike private schools, Massachusetts public colleges and universities do not have an established tradition of fundraising. Massachusetts public institutions must overcome the image that they are state agencies going to the public with hat in hand. The fact that state colleges and universities receive only partial public financing has not been broadly publicized.

To protect its financial standing, Massachusetts public higher education must cultivate a base of support in order to develop and build endowment funds. This base includes college and university alumni and the local and regional corporate community.

Alumni Development

Private colleges and universities have long looked to their alumni for a major part of their fundraising and endowment development. The notion that "commencement is the first stage in a long relationship" is a familiar one in the private sector. This attitude is,

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[15] *Amherst* magazine, published by Amherst College, Spring issue, 1990, page 16.

[16] State appropriation figures provided by Board of Regent's Office of Research. Figures adjusted for inflation using the GNP Deflator Index for State and Local Governmental Purchases of Goods and Services.

[17] *Amherst* magazine, published by Amherst College, Spring issue, 1990.

however, relatively new to Massachusetts public colleges and universities.

Alumni development is the necessary first part of a two-part fundraising system adopted by many schools. These schools look to alumni donors as "internal" support coming from "within" the institution. The theory holds that "external" support is made easier after showing what can be raised from "within" by those who know the institution best.

Alumni development efforts have begun in earnest at several Massachusetts public schools. Bridgewater State College personnel, for example, address each graduating class, introducing the concept of alumni giving and the institutional strength that giving provides. These efforts are aimed at helping students realize that a degree is only as strong as the granting institution's reputation.

In spite of the need to cultivate financial support from public college and university alumni, it will take time to realize financial gain from alumni development. The pool of alumni of most Massachusetts public colleges and universities is relatively small and young.

For example, the community colleges generally have a pool of alumni numbering less than 12,000 people. Their first few graduating classes are just now entering their peak earning years (40-55). As the pool of alumni increase in size and age the potential annual donation will also increase. The University of Massachusetts/Medical Center is only twenty years old. The average annual alumni donation to the school is $59. This figure is expected to rise as the alumni pool increases and as alumni free themselves of student debt.

The relative youth of the Massachusetts alumni also limits the number of bequests (a traditional source of endowment funding) the institutions receive.[18] Although the University of Massachusetts, Salem State College and some of the older schools have incorporated bequests into their "giving" campaigns, many of the state colleges do not have a pool of alumni old enough to make a bequest program work.

Corporate Development

There is a strong relationship between education and the corporate world. An educated populace makes for an educated work force.

[18] During a telephone conversation on August 8, 1990, a representative of the Harvard University Recording Secretary's office said that Harvard University receives approximately twenty-five percent of its annual endowment donations from bequests.

Massachusetts must maintain a first-rate academic environment to continue to train the work force necessary to strengthen our economy.

However, conversations with development personnel indicate that corporate officials have been less supportive of public higher education than of private higher education. This stems from the fact that they themselves are often alumni of private institutions and are therefore drawn to the prestige and reputation of the private sector. They do not tend to recognize the linkage between the business world and the public college or university. When corporations do provide support to colleges and universities, they often prefer to donate to annual giving campaigns where the impact is immediate, rather than the deferred benefit of an endowment program.

Perhaps the major difficulty that public colleges and universities face in trying to expand their corporate fundraising efforts is the competition they face from the private sector. As stated earlier, out of 120 colleges and universities within the Commonwealth, fewer than 23 percent are public institutions, the lowest percentage nationwide. Public colleges and universities must make the case that corporations would be well-served by donating to public sector higher education.

Bridgewater State College, one of the oldest public colleges in the Commonwealth, only recently began corporate outreach, and found that they were perceived locally as a "teacher's college." When the college began marketing its business administration program in the community, however, the corporate sector began supporting the school.

The importance of corporate support for public education is evident in the demographics of college graduates. *The Boston Globe* reported that "70 percent of (University of Massachusetts) graduates remain here after graduation, compared to only 10 percent of graduates from MIT." [19] Public school graduates make up the majority of college graduates in the local work force. Public sector development must include educating the local business community to the benefits of "protecting its main source of educated labor." [20]

PART 3: THE USE OF INDEPENDENT FOUNDATIONS

Twenty-six of the twenty-seven public colleges and universities in the Commonwealth have set up independent organizations to

[19] "Helping Public Higher Education Also Helps The State", Gordon N. Oakes, Jr. *The Boston Globe*, September 4, 1990, page 23.
[20] Gordon N. Oakes, Jr. *The Boston Globe*.

augment their fundraising capabilities.[21] The organizations, incorporated under section 501(c)(3) of the IRS code, are exempt from federal taxation. They solicit funds on behalf of the colleges and universities and act as repositories for charitable contributions donated on behalf of colleges and universities.

The various foundations incorporated for the benefit of Massachusetts public colleges and universities have shown dramatic fundraising success over the past few years.

The Berkshire Community College Foundation shows an increase in its assets of over $950,000 from fiscal year 1987 to fiscal year 1989. The Bunker Hill Community College Friends, Inc., shows an asset increase of over $340,000 from fiscal year 1987 to fiscal year 1989. The Salem State College Foundation shows an asset increase of over 80 percent for the same two-year period. These schools, listing no formal endowment funds but impressive foundation assets, portray the state of fundraising within the Commonwealth: generally targeted to satisfy immediate, high priority financial need. A listing of each foundation's asset total for fiscal year 1987 and fiscal year 1989 appears in Appendix D.

The foundations play a critical role in public sector fundraising. They receive grants and monies from agencies whose charters prohibit the making of grants to public institutions, they allow donors to contribute to a school while gaining tax advantages and even yearly income from those contributions through the use of charitable trusts.

Foundations offer donors the ability to assist public higher education by making a gift to what is, in essence, a private charity. This avoids the problem of soliciting donations for a public entity. Foundations also acquire and renovate properties on behalf of a college or university, and they disburse scholarship monies to academic departments and financial aid offices.[22]

These private foundations have not, however, been immune from criticism. As a result of his Report on Higher Education Trust Funds,[23] the State Auditor questioned the nature of independent

[21] There is no organization incorporated on behalf of Worcester State College. The three University of Massachusetts campuses all belong to the University of Massachusetts Foundation, Inc. A list of the foundations we examined appears in Appendix C.

[22] *Its Scope and Services*, a brochure released by The University of Massachusetts Foundation, Inc.

[23] Report No. 88-5001-9, released September 13, 1989, issued by the Office of the State Auditor. The quoted material appears on pages 23-26.

foundations incorporated on behalf of public institutions of higher education and the relationship between those foundations and their beneficiary schools.

The report stated:

> . . . colleges and independent organizations, usually foundations and athletic associations, have developed inappropriate relationships. Colleges have shielded some of their activities from regulatory and monitoring oversight review and have allowed the independent organizations to conduct activities in the name of the college and the Commonwealth without supervision.
>
> Our primary concern is that [the foundations] could be covertly used as a surrogate of a college official.
>
> We are concerned that these [organizations] might conduct inappropriate activity . . . [and that] the colleges and the Commonwealth could be held culpable in the event these organizations misspend or pilfer donations . . .
>
> . . . the trustees were unwise to allow, without contractual safeguards, organizations [the use of] college names for fundraising and to purchase goods and services on their behalf.

The State Auditor expressed concern that the foundations, ostensibly "autonomous and beyond the scrutiny of the Office of the State Auditor," were not "independent of their affiliated institutions." He wrote that "action taken by a college's trustees and administrators should be subject to scrutiny since these are public institutions."

The Auditor recommended that the college trustees secure the right of each college and its regulators, "including the Office of the State Auditor," to review the books and records of any organization that uses the college name for fundraising. He also recommended that the (foundation's) board of organization include at least one member of the college or university trustees and at least one member of the institution's administration.

In January, 1990 the Auditor filed House No. 15, an act to give the Auditor "the authority to examine the accounts, programs, activities, and functions directly related to the accounts, of any institution, foundation, or organization established or created by a state college (or university) or controlled by the state college (or university) or its designees with the objective of supporting the general purposes of the university."

The bill was reported out of the House Committee on Ways and Means in a (technically) amended version, House No. 5675, on April 23, 1990. The bill was referred to the Senate Committee on Ways and Means on May 3, 1990 where it is currently pending. No action has been scheduled for the bill.

The practice of creating separately incorporated private foundations to augment fundraising is not unique to Massachusetts. Many public higher education institutions in the country use private foundations for fundraising. Public colleges and universities in all of the other states we examined for this study (see Part 1: Inter-State Comparison Measures) used private foundations to augment their fundraising.

The State of New Jersey has addressed the relationship between the public institutions and private foundations (termed "auxiliary organizations") by giving the Board of Higher Education certification authority over the "auxiliary organizations." New Jersey state law provides that the Board of Higher Education institute a standard Statewide accounting and reporting system for the management of the operation of "auxiliary organizations." This system must be approved by the Director of the Division of Budget and Accounting prior to the operation of the auxiliary organization. An auxiliary organization may accept any grant, contract, bequest, trust or gift unless the Board of Higher Education determines that acceptance would be contrary to policies of the Board of Higher Education.[24]

The Florida Board of Regents has addressed the relationship between the public institutions and the private foundations by promulgating regulations enforcing a system of oversight.[25] The State of Florida has determined that:

- Each Florida foundation (or direct-support organization (DSO)) must be certified by the Florida Board of Regents to be operating "in a manner consistent with the goals of the university and in the best interest of the state";
- Each DSO must have an annual audit done by an independent auditor. The Regents and State Auditor General receive an audit report and can receive other information that does not infringe on privacy of donors who desire to remain anonymous;

[24] New Jersey Statute 18A:64-36 and 18A:64-42.

[25] Telephone interview on July 23, 1990 with Financial Specialist for the State University System of Florida. The regulations can be found in Chapter 240 of the Florida Statute, Section 299.

- The DSO director must be nominated by the college or university president;
- The college or university president must have approval over the DSO's budget.

The various requirements put in place by the Florida State Legislature mandate that activities conducted by independent organizations in the name of colleges, universities and the State of Florida do not go without supervision. The Florida oversight function, unlike that proposed by the Massachusetts State Auditor, is not unlimited and remains within the community of higher education.

PART 4: GOVERNMENT SUPPORT

The federal government and, increasingly, state governments are moving to assist public college and university endowment development. In 1982, the Commonwealth of Massachusetts developed a small program to stimulate fundraising. The federal government has established a challenge grant program (to which Bunker Hill Community College recently successfully applied) that uses matching funds to assist college endowment development. The State of Florida has developed a matching fund endowment support program which has been used as a model for other states seeking to establish their own endowment assistance programs.[26] All three programs are outlined below.

Massachusetts Development Assistance

In 1982, the Commonwealth of Massachusetts provided a one-time legislative appropriation of $100,000 "to provide funds to the various state universities, state colleges and community colleges for use in the solicitation of donations from their respective alumni."[27] Although each institution receiving a grant from this money was charged with filing "an annual report (which) shall disclose receipts and expenditures relative herewith," copies of the reports are unavailable, thereby preventing an assessment of the program. According to the Massachusetts Board of Regents, thirteen colleges and universities participated in the program. Today, ten of those thirteen schools list having

[26] Telephone interview on July 23, 1990 with Financial Specialist for the State University System of Florida.

[27] Commonwealth of Massachusetts Acts, 1982 — Chapter 191, item 7070-0003.

foundation assets in excess of $500,000 or have established endowment funds.

Since the 1982 program there have been no other successful legislative attempts to strengthen the public endowment structure of Massachusetts public higher education.[28]

Federal Challenge Grant Program

The federal government has established a challenge grant program that provides matching funds to assist colleges and universities in endowment development. The "Endowment Challenge Grant Program" (34 CFR Ch. VI, Part 628) was created to:

- Establish or increase endowment challenge funds;
- Provide additional incentives to promote fundraising activities;
- Foster increased independence and self-sufficiency at those institutions.

The endowment grants are termed "challenge grants" because the qualifying institutions must match, on a dollar for dollar basis, the amount of money that they apply to receive. For example, a school applying for a $100,000 grant must raise $100,000 in order to receive the full federal grant. The minimum available grant is $50,000.

The grants are awarded to institutions on the basis of point totals for certain qualifying categories. The amount of private donations received by the institution earns the most points towards these totals, however state and local government grants can be used as part of the institution's matching monies.

Upon selection of an institution as a challenge grant recipient, the college or university must: establish an endowment fund independent of any other endowment fund established by or for that institution; deposit its matching funds in that endowment fund; and upon receipt, immediately deposit the grant funds into the endowment fund.[29]

The funds, which should be invested in "savings accounts or in low-risk securities," would remain committed for a period of twenty years.

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[28] Representative Stanley C. Rosenberg (D-Amherst) has introduced House No. 5804 which dedicates all tuition dollars above "the rates in existence in fiscal year 1988" into "an endowment for public higher education in the Commonwealth." The endowment would be used to repair and maintain buildings and facilities at public institutions, to develop and expand scholarship aid for needy students, and to develop and expand public service and research. The fund would also be used to supplement annual operating appropriations "during a fiscal emergency." House No. 5804 is currently in the House Committee on Ways and Means.

[29] Paraphrased from section 628.41, 34 CFR.

During the grant period, the institution "may not withdraw or spend any part of the endowment fund corpus."[30]

The school would be eligible to "withdraw and spend 50 percent of the total aggregate endowment fund income earned prior to the date of expenditure." Such income may be spent on: costs necessary to operate the institution; costs to administer and manage the fund; and costs associated with fund investments.

Endowment monies may not be spent on: a school or department of divinity or any religious worship or sectarian activity; an activity that is inconsistent with a state plan for desegregation of higher education applicable to the grantee; or an activity that is inconsistent with a state plan of higher education applicable to the grantee. The only other constraint placed on the institution by the grant program is that the institution "may not withdraw or spend the remaining 50 percent of the endowment fund income."

Bunker Hill Community College recently filed a successful application to the Federal Challenge Grant Program. According to the Dean of Planning and External Resources for Bunker Hill Community College, the requirement to raise (the minimum amount of) $50,000 will be a major undertaking. Massachusetts development personnel at other colleges who had filed applications to the program said that the matching monies would be difficult to raise.

The State of Florida Endowment Development Assistance

The State of Florida has developed an endowment support program at the state level with goals similar to those established in the Federal Challenge Grant Program. The Florida system has been used as a model for other states seeking to establish their own endowment assistance programs.

Florida state government does not tend to have a reputation for "free-wheeling, liberal spending." In fact, Congressional Quarterly's *Governing* magazine ranks Florida "48th in its public expenditures as a portion of the income of its residents."[31] The Florida State Legislature has, however, recognized the importance of an endowment structure in public higher education and developed three programs: a program aimed at "major" donations, a program to

[30] The "corpus" is loosely defined as the "principal" or non-interest portion of the fund.

[31] *Governing* magazine, published by Congressional Quarterly, Inc. August, 1990, page 9.

generate "first-time" donors, and a program aimed at community colleges.

In fiscal year 1985, Florida incorporated a special trust fund for major gifts to higher education. Under this system, matching funds are provided by the state on "the basis of one $50,000 grant for each $100,000 contributed by private sources." No matching monies are allocated prior to the "collection of the total $100,000 contribution." The grants received are "placed in a restricted endowment by the university . . . The endowment and any interest income accrued to the endowment [are] expended exclusively for endowed professorships, library resources, scientific and technical equipment, and scholarships other than athletic."[32]

A total of $23 million has been appropriated under this trust. Since 1985, approximately 50 percent of this amount, $12.2 million, has been disbursed, with $3.7 million set aside awaiting fulfillment of pledges. Florida officials estimate that the fund has generated $25 million in additional donations since 1985.

The second program, a special trust fund for new donors, was initiated in fiscal year 1986 with a state appropriation of $900,000. The purpose of the new donor fund was to encourage new contributors to Florida higher education. The State of Florida appropriates a $10 grant for every "new donor" to a university, defined as a person who contributes a minimum of $20 to a university and who has not previously donated money to that university. Only new donors above the certified prior year base generate the grant.

The grants received are placed in a restricted endowment by the university foundation. (The new donor donations need not be committed to the endowment fund.) "The endowment income accrued" is expended for the support of "academic programs, nonathletic scholarships, or libraries, as determined by the university president."[33]

Although $542,000 has been distributed under this program, the remaining fund balance (with interest) equals $593,000, more money than has been disbursed. Florida officials said that the new donor trust has almost run its course. As the new donor group expanded, the pool of potential donors decreased. (Officials are discussing the

[32] Florida Statute, Chapter 240, section 2605.

[33] Florida Statute, Chapter 240, section 259.

disbursement of the new donor trust's remaining funds and ending the program.)

The third program, the academic improvement trust fund for community colleges, was created "to encourage private support in enhancing public community colleges." Matching grants ($4 of state funds for every $6 raised) were provided after colleges met a minimum level of contributions from private sources. (The minimum level, $4,500, must be in excess of the total average cash contributions for three prior years.) The trust was incorporated in fiscal year 1983, and the annual appropriation is between $1 million and $2 million, all of which is disbursed among the twenty-eight community colleges.[34]

PART 5: CONCLUSIONS AND RECOMMENDATIONS

Massachusetts higher education is unlikely to be a first-class academic resource for the future without aggressive and successful endowment building. Achieving first-class economic status will be difficult for Massachusetts unless it maintains a first-class level of resources for public higher education.

After almost a decade of growth and prosperity, state revenues are down, and spending on public higher education has experienced and may continue to experience significant cuts. As the state's financial condition deteriorates, public colleges and universities must look beyond state budgetary dollars for support. Along with annual fundraising, endowment building is important for public higher education. It builds a financial base that can provide a long-term resource for programs, scholarships and other activities.

Both annual fundraising and endowment development should be actively pursued by every public college and university across the state. The resulting dollars should not substitute for current appropriations but should provide a safeguard for the programs necessary to maintain system excellence.

To date, endowment development efforts within the Commonwealth of Massachusetts have been generated from the ground up. Public college and university development personnel have initiated statewide associations to improve their fundraising methods.

[34] Telephone interview on July 24, 1990 with representative of the State of Florida Division of Community Colleges. The representative did not have any information as to the overall monies generated from the program.

Although some of the college and university fundraising organizations have shown dramatic percentage increases in their asset growth over the past few years, these efforts are not enough. The Board of Regents and the Massachusetts Legislature must support endowment building and help cultivate new resource development.

RECOMMENDATIONS

The following recommendations are designed to strengthen higher education development:

The Board of Regents should actively promote fundraising and endowment development.

- The Board of Regents should commit their financial resources to ensure that all campuses have computer capacity to carry out fundraising activities.
- The Board of Regents should train administrative personnel to carry out financial development work.
- The Board of Regents should develop a public awareness campaign to create an atmosphere for fundraising and endowment building.
- The Board of Regents should encourage college and university presidents to actively assist and support fundraising development and endowment efforts.
- The Board of Regents should publish annual institution-by-institution information on fundraising and endowment building efforts to stimulate positive competition and to build awareness of the importance of such efforts.

The Legislature should clarify the oversight authority of the Board of Regents over private nonprofit fundraising by public colleges and universities.

- The Board of Regents should certify that each "support foundation" has been incorporated for the benefit of each college and university.
- Higher education affiliated private nonprofit fundraising entities should carry out an annual audit performed by independent auditors. A report on this audit should be made available to the Board of Regents and the State Auditor.
- The Board of Regents and the State Auditor should be able to request additional information that does not infringe on the privacy rights of the donors.

- The Board of Directors of each affiliated foundation should include representation from the higher education institution it supports.

The Legislature should provide matching dollars to stimulate fundraising and endowment development. Specifically the program should:

- Encourage donations from alumni groups, corporate sponsors and others;
- Attract new donors to the public higher education system;
- Create an endowment base that will provide for long-term funding of academic support.

APPENDIX A

Endowment Fund Balance ($)

INSTITUTION/ FOUNDATION	PRIVATE FOUNDATION ($) *FY87	*FY89	COLLEGE-MANAGED ($) **FY87	**FY89	TOTAL ($) FY87	FY89
Berkshire CC	0	0	0	0	0	0
BristolCC	0	0	11,030	10,880	11,030	10,880
Bunker Hill CC	0	0	0	0	0	0
Cape Cod CC	68,936	121,327	20,000	20,000	88,936	141,327
Greenfield CC	310,121	398,958	0	0	310,121	398,958
Holyoke CC	0	DNR	0	0	0	0
Mass. Bay CC	0	0	0	0	0	0
Massasoit CC	0	0	0	0	0	0
Middlesex CC	0	0	0	0	0	0
Mt. Wachusett CC	0	0	0	0	0	0
N. Essex CC	0	0	0	10,533	0	10,533
N. Shore CC	0	0	0	0	0	0
Quinsigamond CC	0	0	136,858	163,650	136,858	163,650
Roxbury CC	317,028	584,701	0	0	317,028	584,701
Springfield CC	DNR	DNR	0	0	0	0
Bridgewater SC	0	111,728	5,659	6,373	5,659	118,101
Fitchburg SC***	—	—	0	0	0	0
Framingham SC	0	0	45,505	45,505	45,505	45,505
Mass. College Art	0	0	0	0	0	0
Mass. Maritime	0	0	0	0	0	0
N. Adams SC	0	0	16,674	17,834	16,674	17,834
Salem SC	0	0	DNR	DNR	0	0
Westfield SC	189,817	230,735	33,239	38,356	223,056	269,091
Worcester SC	N/A	N/A	0	0	0	0
Univ. of Lowell	581,057	760,538	429,984	536,405	1,011,041	1,297,043
S.M.U.	1,396,280	2,248,343	178,934	87,503	1,575,214	2,335,846
U. of MA.	2,276,127	7,257,044	8,156,974	13,699,252	10,433,101	20,956,296
TOTAL	**$5,139,366**	**$11,713,474**	**$9,294,846**	**$14,890,746**	**$14,434,212**	**$26,604,220**

DNR = did not report
N/A = not applicable
*from IRS Form 990, line 69
**from college and university personnel
***reports $1.4 million foundation assets are treated as endowment, although not reported on IRS Form 990, line 69.

APPENDIX B

Full Time Equivalent Students

INSTITUTION	FY 1987	FY 1989
Southeastern Massachusetts University	5,659	5,583
University of Lowell	9,312	9,420
University of Massachusetts	33,136	31,492
Bridgewater State College	5,109	5,072
Fitchburg State College	3,500	3,378
Framingham State College	3,165	3,142
Massachusetts College of Art	1,040	1,060
Massachusetts Maritime Academy	734	745
North Adams State College	2,156	2,165
Salem State College	5,311	5,239
Westfield State College	2,972	2,911
Worcester State College	3,230	3,171
Berkshire Community College	1,426	1,443
Bristol Community College	2,167	2,246
Bunker Hill Community College	2,924	2,397
Cape Cod Community College	1,529	1,635
Greenfield Community College	1,080	1,213
Holyoke Community College	2,611	2,393
Massachusetts Bay Community College	2,409	2,438
Massasoit Community College	3,365	2,784
Middlesex Community College	2,415	2,681
Mount Wachusett Community College	1,336	1,502
North Shore Community College	2,430	2,298
Northern Essex Community College	3,039	2,893
Quinsigamond Community College	1,793	1,802
Roxbury Community College	1,317	929
Springfield Community College	2,877	2,650

APPENDIX C

Massachusetts Foundations Examined

Massachusetts foundations examined for this study:

The University of Lowell Foundation, Inc.
The University of Lowell Alumni Association,
The Southeastern Massachusetts University Foundation, Inc.
The University of Massachusetts Foundation, Inc.

The Bridgewater State College Foundation.
The Bridgewater State College Alumni Association
The Fitchburg State College Foundation, Inc.
The Framingham State College Alumni Association, Inc.
The Massachusetts College of Art Foundation, Inc.
The Massachusetts Maritime Foundation, Inc.
The North Adams State College Foundation, Inc.
The Salem State College Foundation, Inc.
The Westfield State College Foundation, Inc.

The Berkshire Community College Foundation, Inc.
The Bristol Community College Foundation, Inc.
The Bunker Hill Community College Friends, Inc.
The Cape Cod Community College Foundation, Inc.
The Greenfield Community College Foundation, Inc.
The Holyoke Community College Foundation, Inc.
The Massachusetts Bay Community College Foundation, Inc.
The Massasoit Community College Foundation, Inc.
The Middlesex Community College Foundation, Inc.
The Mount Wachusett Community College Foundation, Inc.
The Northern Essex Community College Foundation, Inc.
The North Shore Community College Foundation, Inc.
The Quinsigamond Community College Foundation, Inc.
The Roxbury Community College Foundation, Inc.
The Springfield Community College Foundation, Inc.

APPENDIX D

Total Foundation Assets ($)

INSTITUTION	FY 1987	FY 1989
Berkshire CC	2,891	1,009,685
Bristol CC	135,661	305,727
Bunker Hill CC	1,663	346,828
Cape Cod CC	260,422	317,007
Greenfield CC	623,776	712,687
Holyoke CC	59,998	DNR
Mass. Bay CC	37,665	35,871
Massasoit CC	69,519	DNR
Middlesex CC	0	1,303
Mt. Wachusett CC	8,502	13,753
N. Essex CC	3,203	DNR
N. Shore CC	579,189	987,635
Quinsigamond CC	8,797	17,670
Roxbury CC	401,779	666,326
Springfield CC	55,175	153,763
Bridgewater SC	1,077,862	1,455,314
Fitchburg SC	1,317,373	1,419,560
Framingham SC	570,294	834,869
Mass. College Art	250,205	272,065
Mass. Maritime	162,288	DNR
N. Adams SC	111,910	286,584
Salem SC	658,569	1,211,024
Westfield SC	330,001	354,343
Worcester SC	18,746	36,802
Univ. Lowell	749,268	929,425
S.M.U.	1,672,468	2,627,916
Univ. of Mass.	21,163,109	28,828,326

DNR = did not report

OTHER REPORTS IN THE 1989-1990 LEGISLATIVE YEAR BY THE SENATE POST AUDIT AND OVERSIGHT BUREAU

August 1990	CASE STUDIES IN PUBLIC CONSTRUCTION: The Impact of Chapter 579 of the Acts of 1980 (S. 1776)
June 1990	ANALYSIS OF FISCAL YEAR 1989 DEPARTMENT OF MENTAL HEATH ALLOCATIONS (S. 1715)
April 1990	AN INVESTMENT ON RETURNS: Marketing Recyclable Materials in Massachusetts (S. 1585)
February 1990	THE DECEMBER 1989 HEATING OIL CRISIS (S. 1501)
February 1990	DRAWING ON PUBLIC AUTHORITIES' RESOURCES TO REDUCE A BUDGET GAP: Learning from New York (S. 1500)
December 1989	REPORT TO THE MASSACHUSETTS GENERAL COURT: Findings Relative to the Commonwealth's Deferred Compensation Plan (S. 2150)
December 1989	LOCAL GOVERNMENT FINANCE IN 1990: An Unfolding Crisis (S. 2130)
November 1989	ANALYSIS OF THE STATE'S FISCAL CRISIS (S. 2125)
October 1989	MASSACHUSETTS' FINANCIAL COMMITMENT TO PUBLIC EDUCATION: A Multi-State Comparative Study (S. 2080)
October 1989	DENYING ACCESS TO CARE: Discrimination Against Persons with HIV-Infection (S. 2040)

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